

### *Teague Oil and Gas Tax Credit Extension also Passes House*

Washington, DC – Today, Congressman Harry Teague helped pass the American Jobs and Closing Tax Loopholes Act (HR 4213) which will keep American jobs from being shipped overseas by closing tax loopholes that encourage companies for outsourcing jobs off American soil. The bill also included a Teague provision to extend a critical tax credit that helps small oil and gas producers by extending the suspension of the net income limitation on percentage depletion. The income limitation severely restricts the ability of smaller American independent producers to use percentage depletion, particularly with respect to marginal wells, or those that produce on average 15 barrels per day or less.

“The foreign tax credit was designed to protect companies from being taxed twice on the same income. Unfortunately, companies have taken advantage of the spirit of the law and have shipped American jobs overseas to escape tax responsibilities in the United States,” Harry Teague said. “In order to rebuild our economy and create jobs here at home, small businesses need to be able to play by the same rules as large corporations. This legislation will no longer allow big businesses to take advantage of American resources and consumers while greedily exploiting our tax system for their own personal gain.”

The legislation specifically closes the loophole that has allowed companies to take advantage of the foreign tax credit and enabled companies to operate offshore and pay little to no taxes in the United States. HR 4213 also helps restore credit to small businesses by eliminating certain fees on SBA loans, and it extends a research and development tax credit to help create jobs. The bill also provides tax relief to hardworking American families, paid for by closing the foreign tax loophole and one that allowed Wall Street billionaires to pay a lower tax rate on their income.

On the House approving his Oil and Gas tax credit extension, Harry Teague said, “As our nation works to boost our national energy production and reduce our dependence on foreign oil, it’s essential that we extend these tax credit provisions to small oil and gas producers. These companies are critical to the recovery of both our local and national economy. Not only are these marginal wells important to our local economy, they also account for nearly 20 percent of American oil production. Without this extension, many producers would be forced to plug these wells and that would mean fewer jobs as our country would be forced to send even more money overseas for foreign oil.”

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